Telephony

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New opportunities for fiber in the loop

In the news...

TDMA READY FOR MARKET

CONSUMERS HAIL BROADBAND SERVICES

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Telephony

FOR TODAY'S COMPETITIVE PUBLIC NETWORK MARKET

Rural areas and densely populated urban areas may have something in common in the telecom realm. LECs may be able to prove-in fiber in both areas now, to reduce their costs of providing needed services. Cover photography by Jako Rajs and A. Satterwhite, The Image Bank.

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NEWS OF THE WEEK

Cellular carriers complete final tests, declare TDMA 'ready to go'

Charles Mason, Washington Editor

The cellular industry took a major step toward digital technology with the announcement last week of the successful final tests of time division multiple access (TDMA) technology. The move clears the way for the possible commercial deployment of TDMA as early as next year.

The cellular industry has been attempting to develop a common technology for the transition to digital, which promises far greater capacity and improved voice quality and security over current analog transmission.

"We're ready to go and on target," said Wayne Perry, vice chairman of McCaw Cellular Communications.

The announcement of the successful "lockdown" of TDMA and Perry's remarks were made during a two-day conference held in Arlington, Va., last week by the Cellular Telecommunications Industry Association to discuss the results of TDMA and other trials.

The switch vendors successful in the TDMA tests are AT&T, Ericsson and Northern Telecom, CTIA reported. Companies providing successful end user equipment are Ericsson/GE, Hughes Network Systems, Mitsubishi, Motorola, Oki Telecom and Sony.

"I would characterize the whole process as a tremendous success," said Michael Hirsch, CTIA's vice president for technology, at the conference.

Reporting on the TDMA trials, Ken Corcoran, director of planning for Southwestern Bell Mobile Systems, said tests in Dallas showed that most

Survey shows broadband-to-home market

Richard Karpinski, Assistant Editor

Home entertainment may be the hook that catches public interest in telco-provided broadband information services, but that shouldn't rule out the success of other niche services such as video shopping, electronic classrooms and multimedia libraries, according to a market study released last week.

The study, a survey of more than 800 consumers in six cities, was sponsored by Northern Telecom and BellSouth. Field work was done by P G Research, formerly known as Noel Dunivant and Associates.

For purposes of the survey, BellSouth was portrayed as a gateway operator offering various video-based information services. Respondents were shown simulations of the services and asked to rate them.

Movies-on-demand and past TV (downloading previously broadcast TV shows) were among the big winners; home shopping brought up the rear (see chart). Overall, about 70% of the respondents said they would be willing to pay for some of the new services.

"Entertainment was the big winner," said Denise Townsend, operations manager-service concepts, research and analysis at BellSouth. "But clearly there are other services that would be served by broadband technology that would be very viable for the home."

BellSouth has long been a vocal proponent of moving fiber optics and related broadband services to the home. The company will use the survey results to help develop the business case and network strategy needed to support residential broadband, Townsend said.

Other survey findings may help guide the Bell regional holding company's plans: A TV-based rather than PC-based system appeared to hold the broadest appeal. Younger respondents were most attracted to the services overall. BellSouth believes certain services, such as video shopping, could be adequately rolled out today at T-1, or sub-T-1 rates.

This last point may be key. With copper-based wideband technologies such as asymmetric digital subscriber line (ADSL) coming into focus, the industry could envision as an evolutionary step an ADSL-based gateway service that would offer most multimedia services, said Mark Lee, manager multimedia marketing for Northern Telecom.

Northern Telecom has talked to potential service providers, Lee said. "They tell us they'd like to see a critical mass of people connected to a service before they'd commit to it. ADSL could rapidly accelerate the development of that critical mass," he stated.

The survey results also could affect public policy. The results seem to support the telco position that, if the consumer broadband market is to really take off, telcos must be free to play a leading role, Townsend said.

Northern Telecom has stressed the need to educate consumers on the potential of the public network, with the idea that enlightened consumers would in turn support needed public policy changes. At SUPERCOMM '91, the company talked about leading a nationwide public awareness campaign in conjunction with the RHCs and the U.S. Telephone Association *(Telephony, March 25, page 8).*

CONSUMERS RATING SERVICE CONCEPTS 'EXTREMELY APPEALING'

Service	Percent of respondents
Entertainment	
Movies	33.1%
Past TV	23.2%
Interactive news	20.4%
Music	26.0%
Shopping	
Grocery shopping	20.9%
Catalog shopping	14.6%
Window shopping	5.1%
Educational	
Electronic classroom	24.8%
Multimedia library	22.1%
Point-to-point	
Video telephone	22.4%

Source: Northern Telecom/BellSouth Services